

## **NOTICE AND AGENDA**

**HOUSING COMMISSION  
THURSDAY  
JANUARY 26, 2023**

**VIRTUAL MEETING  
MICROSOFT TEAMS MEETING  
1:00 P.M.**

**ATTENTION**  
**IN-PERSON AUDIENCES AT HOUSING COMMISSION MEETINGS HAVE BEEN SUSPENDED UNTIL FURTHER NOTICE**

[Click here to participate in the online meeting](#)

The public can submit comments to [AFisher@Flagstaff.gov](mailto:AFisher@Flagstaff.gov). Public comment will be emailed to Housing Commissioners and will be read at the meeting by a staff member.

**1. Call to Order**

**2. Roll Call**

*NOTE: One or more Commission Members may be in attendance telephonically or by other technological means.*

ERIC DAVIS  
TYLER DENHAM  
KAREN FLORES  
SANDI FLORES

JACQUIE KELLOGG  
DEVONNA MCLAUGHLIN  
MOSES MILAZZO  
ADRAH PARAFINIUK

REBECCA PYRZ  
ROSS SCHAEFER  
GLENN SLIVERS  
SEAN SLAWSON  
HAYLEY ZOROYA

**3. LAND ACKNOWLEDGMENT**

*The Housing Commission humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.*

**4. Public Comment**

*At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.*

**5. APPROVAL OF MINUTES**

- A.** Consideration and Approval of Minutes: Housing Commission Meeting, November 30, 2022. Approve the minutes from the November 30, 2022 Housing Commission Meeting.

**6. ACTION AND DISCUSSION ITEMS**

- A. 10-Year Housing Plan: Consideration and Approval of the 2022 Progress Report & 18-Month Implementation Plan  
Approve to recommend the 10-Year Housing Plan 2022 Progress Report & 18-Month Implementation Plan to the Flagstaff City Council.

7. **GENERAL BUSINESS**

- A. CDBG 101: An Overview of the Community Development Block Grant program  
Informational item only.

8. **INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS**

- A. Update from Housing Authority Board Liaison  
B. Update from Housing Commissioners and other informational items  
C. Update from Housing staff

9. **ADJOURNMENT**

**CERTIFICATE OF POSTING OF NOTICE**

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m. This notice has been posted on the City's website and can be downloaded at [www.flagstaff.az.gov](http://www.flagstaff.az.gov).

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Adriana Fisher, Housing Program Manager



## **Housing Commission**

**5. A.**

**From:** Adriana Fisher, Housing Program Manager

**DATE:** 01/26/2023

**SUBJECT:** Consideration and Approval of Minutes: Housing Commission Meeting, November 30, 2022.

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### **STAFF RECOMMENDED ACTION:**

Approve the minutes from the November 30, 2022 Housing Commission Meeting.

### **Executive Summary:**

Minutes of Commission meetings are the requirement of Arizona Revised Statutes and, additionally, provide a method of informing the public of discussions and actions taken by the Housing Commission.

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### **Attachments**

Draft November 30, 2022 Commission Minutes

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## **DRAFT MEETING MINUTES**

**HOUSING COMMISSION  
WEDNESDAY  
NOVEMBER 30, 2022**

**VIRTUAL MEETING  
MICROSOFT TEAMS MEETING  
1:00 P.M.**

### **1. Call to Order**

Chair Tyler Denham called the meeting to order at 1:01 pm.

### **2. Roll Call**

*NOTE: One or more Commission Members may be in attendance telephonically or by other technological means.*

ERIC DAVIS - Present  
TYLER DENHAM - Present  
KAREN FLORES - Present  
SANDI FLORES - Present

JACQUIE KELLOGG - Present  
DEVONNA MCLAUGHLIN - Present  
MOSES MILAZZO - Present  
ADRAH PARAFINIUK - Present from 1:26 - 2:20 pm

REBECCA PYRZ - Absent  
ROSS SCHAEFER - Present  
GLENN SLIVERS - Present  
SEAN SLAWSON - Present  
HAYLEY ZOROYA - Present

### **OTHERS PRESENT:**

Justyna Costa, Assistant Housing Director  
Sarah Darr, Housing Director  
Adriana Fisher, Housing Program Manager  
Khara House, Housing Commission Council Liaison  
Jenny Niemann, Climate Program Manager  
Christina Rubalcava, Senior Assistant City Attorney  
Rebecca Sayers, Parks, Recreation & Open Space Director

### **3. LAND ACKNOWLEDGMENT**

*The Housing Commission humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.*

Land Acknowledgment read by Commissioner Jacquie Kellogg.

### **4. Public Comment**

*At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.*

None.

**5. APPROVAL OF MINUTES**

- A.** Consideration and Approval of Minutes: Housing Commission Meeting, October 27, 2022.  
Approve the minutes from the October 27, 2022 Housing Commission Meeting.

Commissioner Adrah Parafiniuk absent during this motion.

**Moved by** Hayley Zoroya, **seconded by** Karen Flores to approve the minutes from the October 27, 2022 Housing Commission Meeting.

**Vote:** 11 - 0 - Unanimously

**6. ACTION AND DISCUSSION ITEMS**

- A.** Thorpe Park Annex Update and Final Concept Plan Review  
Discussion and feedback on the final Thorpe Park Annex concept plan.

Ms. Rebecca Sayers, Parks, Recreation & Open Space Director, provided an overview of the final Thorpe Park Annex concept plan. Ms. Sayers answered all questions from Commissioners regarding the stage of development, capacity for employee housing units, potential replacement options for housing units if housing is not allowed on the lot, clarification on qualifying outdoor recreation, the timeline for moving forward, funding sources for the project, and path for moving forward if the concept plan is not approved.

Commissioner Parafiniuk arrived during the discussion session.

- B.** Revisions to the Carbon Neutrality Plan  
Discussion and feedback.

Ms. Jenny Niemann, Climate Program Manager, provided a verbal presentation on the Carbon Neutrality Plan and the upcoming revision. Commissioners asked questions regarding inserting information from the Carbon Neutrality Plan into the 10-Year Housing Plan and about Sustainability's considerations for incorporating housing and sustainability. Ms. Niemann and Ms. Sarah Darr, Housing Director, answered questions.

**7. GENERAL BUSINESS**

- A.** Sustainability Division Overview  
This is an informational presentation only.

Ms. Niemann provided a thorough presentation on the Sustainability Division's staff, programs, and guiding documents. Commissioners asked questions about Sustainability's community garden, chicken coops, the potential for reusing materials from landfill for housing to reduce landfill waste, changes to land use and zoning code, and the logistics of hiring a consultant to review codes. Ms. Niemann answered all questions from Commissioners. Ms. Jennifer Mikelson, Housing Analyst, provided additional information about the status of hiring a consultant.

**8. INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS**

**A.** Update from Housing Authority Board Liaison

Ms. Darr provided a brief update.

**B.** Update from Housing Commissioners and other informational items

Chair Denham reminded Commissioners about the upcoming parking reform meeting he organized for December 2, 2022.

**C.** Update from Housing staff

Ms. Justyna Costa, Assistant Housing Director, provided updates on the 10-Year Housing Plan's 1st Implementation Plan and on the recent bond. Ms. Kristine Pavlik, Housing and Grants Administrator, gave an update on the American Rescue Plan Act funds, as well as an update on the Community Development Block Grant upcoming process. Ms. Mikelson added an update about Habitat's Starter Home pilot project.

**9. ADJOURNMENT**

Chair Denham adjourned the meeting at 2:26 pm.



## **Housing Commission**

**6. A.**

**From:** Adriana Fisher, Housing Program Manager

**DATE:** 01/26/2023

**SUBJECT:** 10-Year Housing Plan: Consideration and Approval of the 2022 Progress Report & 18-Month Implementation Plan

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### **STAFF RECOMMENDED ACTION:**

Approve to recommend the 10-Year Housing Plan 2022 Progress Report & 18-Month Implementation Plan to the Flagstaff City Council.

### **Executive Summary:**

The 10-Year Housing Plan, approved by City Council on February 15, 2022, will decrease the Housing Emergency through a single overarching goal supported by two fundamental elements. To achieve the overarching goal, City staff have begun the implementation of 13 robust policy initiatives and 58 comprehensive strategies.

To report on progress made between February and December 2022, City staff have created a one-time 2022 Progress Report. Staff have also prepared a one-time 18-Month Implementation Plan in preparation for the upcoming 18 months (January 2023 and June 2024) of the Plan's implementation.

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### **Attachments**

DRAFT Progress Report

DRAFT Implementation Plan

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# 2022 PROGRESS REPORT

## 10-Year Housing Plan



CITY OF  
**FLAGSTAFF**



# 2022 Progress Report

## Introduction

On December 1, 2020, the City of Flagstaff City Council declared a [Housing Emergency](#) recognizing the need to make housing a leading priority for the organization and community. By February 15, 2022, the [10-Year Housing Plan](#) was adopted as a single, comprehensive community-facing document summarizing the City's immediate and long-term needs and strategies to improve housing affordability.

The overarching goal of the Plan is to **“Reduce the current affordable housing need in our community by half over the next ten years”** and is supported by two fundamental elements:

- > **Element One:** Impact at least 6,000 low- to moderate-income Flagstaff residents through a combination of unit creation or subsidy provision.
- > **Element Two:** Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.

To achieve the overarching goal, 13 robust policy initiatives and 58 comprehensive strategies provide a foundational framework for establishing housing programs, prioritizing staff work, and allocating necessary funding for implementation.

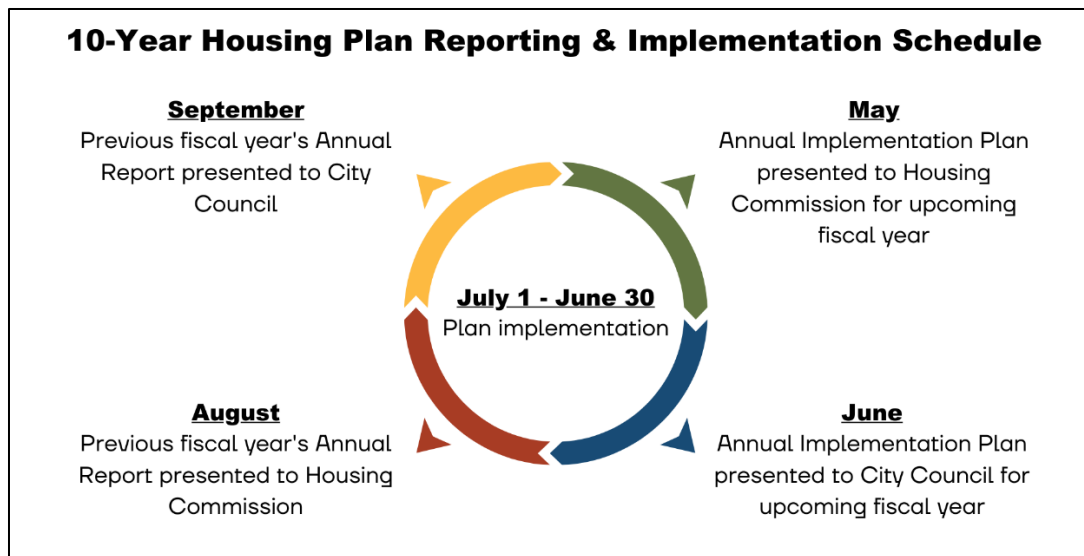
This one-time progress report, which is not preceded by an implementation plan, is intended to provide an update on progress made between February and December 2022.

## Measuring and Reporting Progress

Successes in implementation will be assessed through progress on the 58 comprehensive strategies, which will help complete the element goals supporting the Overarching Goal. On an annual basis, the report will provide a “Highlights” section to outline progress made during a specific fiscal year, and a visual representation of how much has been accomplished towards the goals of the plan.

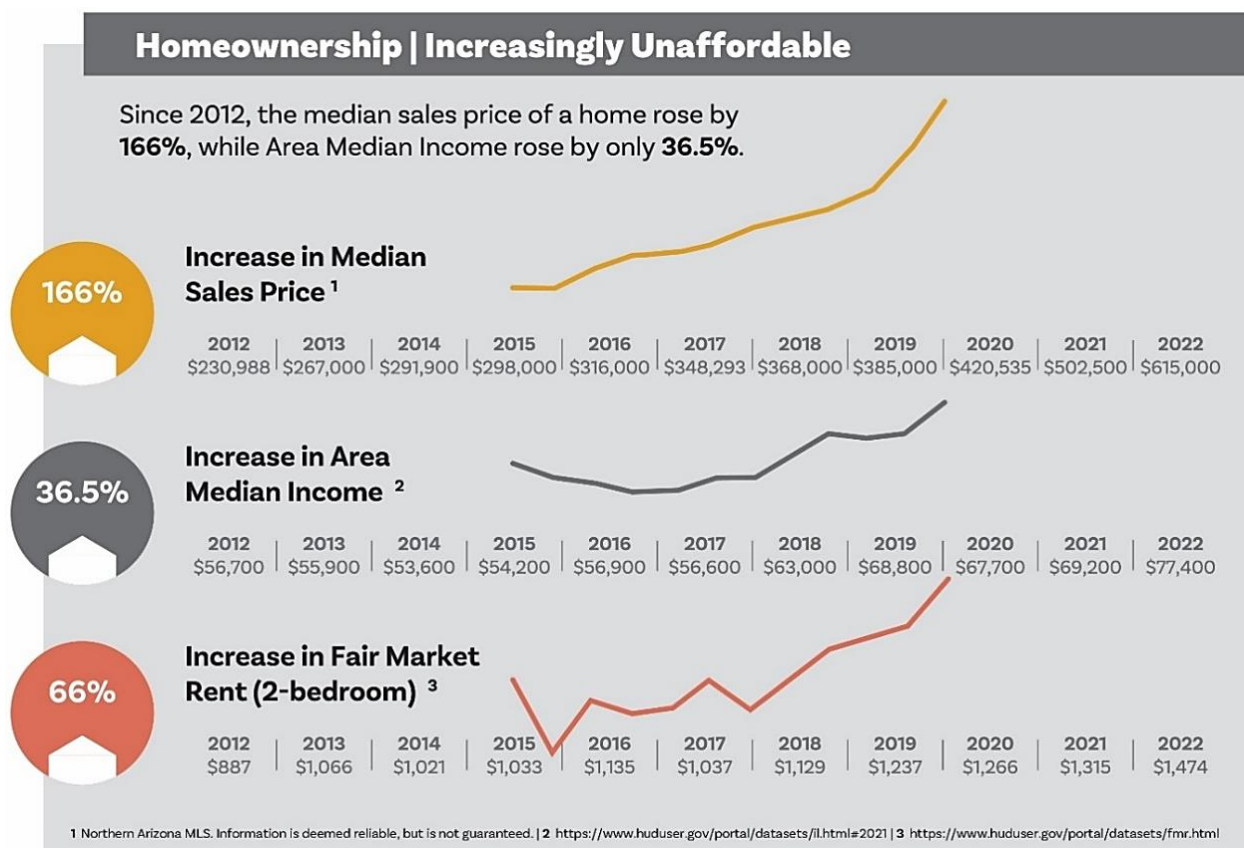
It is important to City Council, the Housing Commission, and Staff to “ensure accountability through consistent and transparent annual reporting to the community and the Housing Commission” ([10-Year Housing Plan](#)). To achieve this, two major annual documents – an Annual Implementation Plan and an Annual Report – will be prepared by City Staff, reviewed by the Housing Commission and City Council, then published on the City's website.

To ensure transparency, City staff will follow the below schedule for future Annual Implementation Plans and Annual Reports:



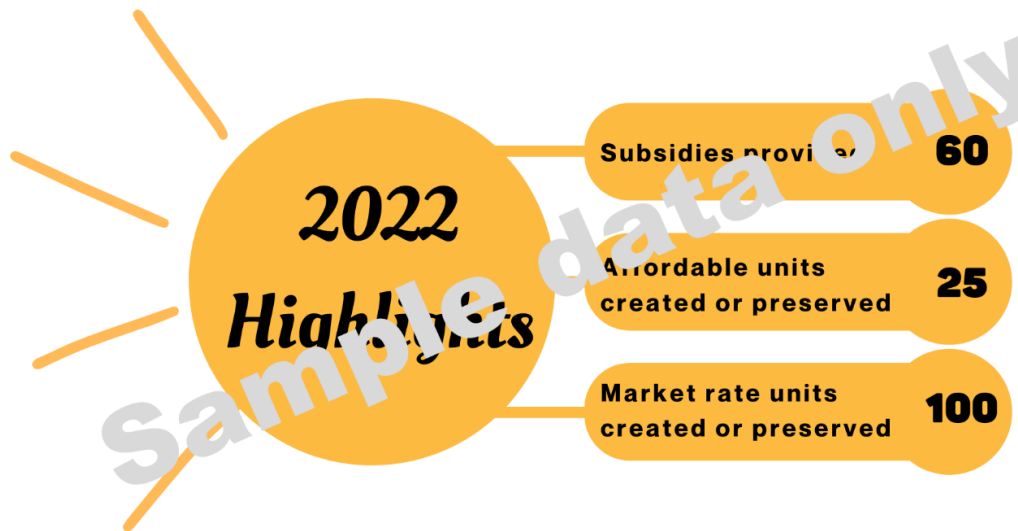
Following the one-time 18-Month (*January 2023-June 2024*) Implementation Plan and this Progress Report, starting in spring 2024, Housing staff will analyze the strategies in the 10-Year Plan, available funding, market conditions, available staff time, and other relevant factors to form the recommendations on which strategies will be undertaken for the following fiscal year. An Annual Implementation Plan will be prepared and presented to the Housing Commission each May and to City Council each June. At the end of each fiscal year, staff will compile an Annual Report to summarize progress and will present the document to the Housing Commission and City Council.

## 2022 Housing Market Snapshot

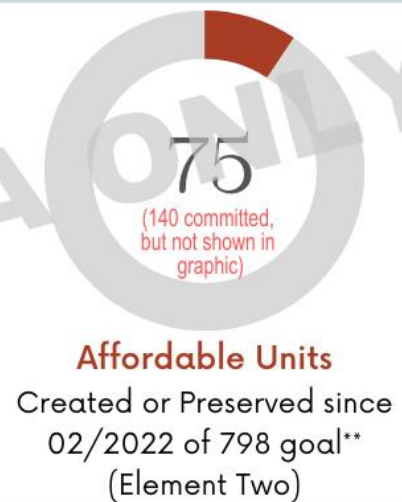


Source: Flagstaff Community Affordable Housing Needs Assessment, in partnership with Housing Solutions of Northern Arizona

## 2022 Achievements



The 10-Year Housing Plan was adopted in February of 2022; therefore, this unique Progress Report does not cover a full year of strategy implementation and milestones. In future Annual Reports, City staff intends to utilize the above “Highlights” graphic to highlight fiscal year milestones based on the two elements outlined in the [Introduction](#) section of this document. City staff will also utilize the below chart as a visual representation of progress made toward the overarching goal:



\*The goal is to create or preserve 7,976 housing units by 2031 with 10% being affordable (7,976 - 10% = 7,178).

\*\*10% of 7,976 total units created or preserved is 798.

To ensure consistency throughout reporting periods, the following key information will be used when measuring accomplishments:

- **Residents Impacted** = The number of households or residents that received a subsidy during a reporting period.
- **Market Rate Units** = The number of delivered market-rate units that received a Certificate of Occupancy during the reporting time period.
- **Affordable Units** = The number of delivered affordable units that received a Certificate of Occupancy during the reporting time period.
- **Committed Affordable Units** = The number of affordable units committed by a developer in a Development Agreement or in the approved site plan or plat.

## Conclusion

The Housing Section experienced a challenge with staffing following the adoption of the 10-Year Housing Plan and was not returned to full staffing until late October 2022. Despite this challenge, important progress was made; most notably, the creation and voter approval of a bond to create rental and homeownership opportunities for residents of Flagstaff. The strategies still in progress will be reported on in the Fiscal Year 2023-2024 Annual Report, to be released to the public by September 2024.

## 2022 Progress

Strategy	Strategy Description	Dependent on other strategies being completed?	Anticipated Timeline of Strategy Implementation from 02/2022	City Division/Section Collaboration	% Complete	Status Comments
Create 3.1	Present 2022 Bond Measure to Council and Community for consideration for additional funding to be leveraged with local, state, and federal dollars.	No	Immediate (18 months)	Management Service, Housing Section	100%	A Bond Measure was presented to City Council and approved by Flagstaff voters. Proposition 442 provides \$20,000,000 to create rental and homeownership opportunities for residents of Flagstaff.
Connect 1.2	Create housing navigator or advocate positions to assist both landlords and housing-challenged populations in securing and maintaining housing.	No	Immediate (18 months)	Housing Section, City's Budget Team	75%	Although a Housing Navigator position has been created and hired, it is funded with one-time money. The position is being requested as an ongoing budget item through the City's regular 2023-2024 budget process.
Protect 2.4	Implement a public outreach campaign to educate the community about the critical role affordable housing plays in a thriving community, create a groundswell of support for affordable housing, and combat community opposition to housing and affordable housing.	No	Immediate (18 months)	Sustainability, Flagstaff Police Department, Housing Section	20%	A virtual education campaign was held in October 2022 in celebration of Housing America Month. A larger education campaign will take place in fiscal year 2023-2024.



10-Year Housing Plan

# **18-Month Implementation Plan**

January 2023-  
June 2024



CITY OF  
**FLAGSTAFF**

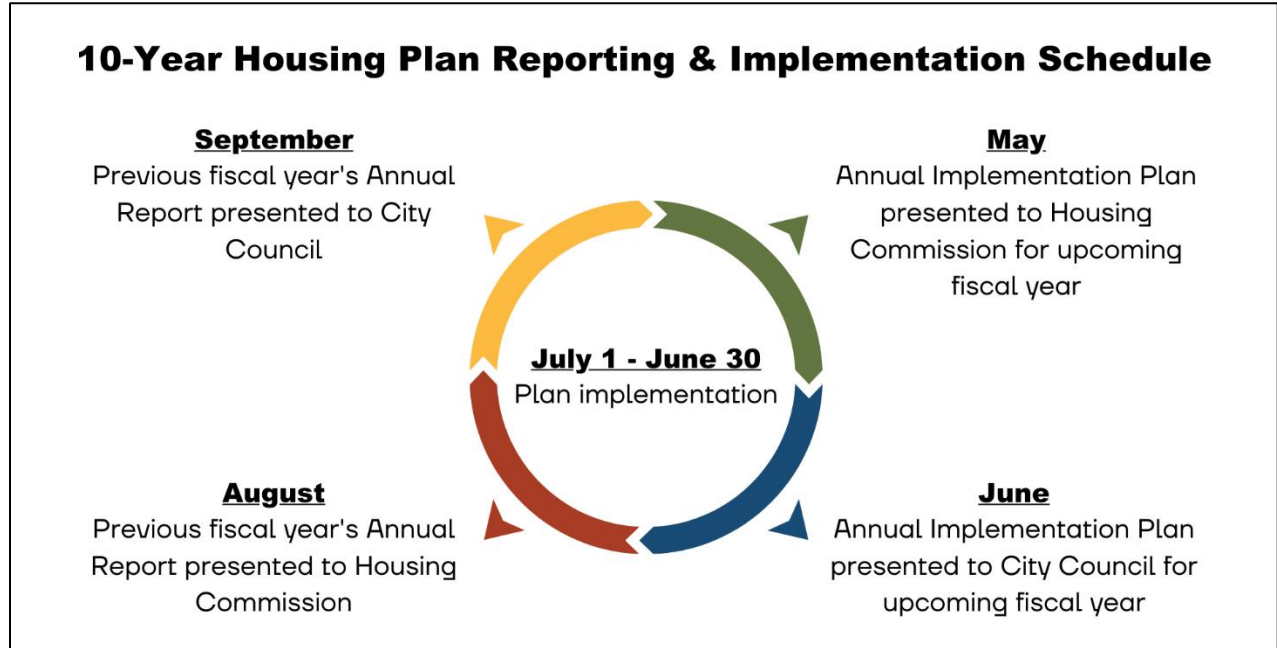
# 18-Month Implementation Plan

## Introduction

On December 1, 2020, the Flagstaff City Council declared a [Housing Emergency](#), recognizing the need to make housing a leading priority for the organization and community. Subsequently, City Council approved the [10-Year Housing Plan](#) on February 15, 2022. The 10-Year Housing Plan is a comprehensive, community-facing document summarizing the City's immediate and long-term needs and strategies to improve housing supply and affordability.

This document is a one-time 18-Month Implementation Plan that outlines the strategies in progress from January 2023 through June 2024. Each year following this unique 18-Month Implementation Plan and one-time 2022 Progress Report, City staff will review the strategies, available funding, market conditions, available staff time, and other relevant factors to determine the strategies to undertake for the following fiscal year. Once a recommendation has been created for review, City staff will prepare an Annual Implementation Plan, to be presented to the Housing Commission and City Council for review and feedback. Following the completion of each Implementation Plan, staff will compile an Annual Report to summarize progress made, to be presented to both the Housing Commission and City Council.

For transparency, forthcoming Annual Implementation Plans and Annual Reports will follow the below schedule:



## 10-Year Housing Plan Overarching Goal & Strategies

The overarching goal outlined in the 10-Year Housing Plan is to “**Reduce the current affordable housing need in our community by half over the next ten years.**” The goal is supported by two fundamental elements:

- > **Element One:** Impact at least 6,000 low- to moderate-income Flagstaff residents through a combination of unit creation or subsidy provision.
- > **Element Two:** Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce, and affordable housing occupied by local residents.

To achieve the overarching goal, 13 robust policy initiatives and 58 comprehensive strategies provide a foundational framework for establishing housing programs, prioritizing staff work, and allocating necessary funding for

implementation. Each strategic Implementation Plan will summarize the strategies initiated during a specific fiscal year and progress will be outlined in each Annual Report.

## Strategy Implementation

While each of the 58 strategies plays a significant role in the accomplishment of the overarching goal defined by the 10-Year Housing Plan, the strategies are meant to be executed within a 10-year period. Each year, City staff will make recommendations on which strategies to initiate based on the following factors outlined in the 10-Year Housing Plan:

- **Dependency on other strategies:** Determines if the strategy depends on the completion of another strategy before it can be started or completed.
- **Time Commitment:** Indicates the anticipated amount of time necessary to achieve the strategy.
- **Public Engagement:** Indicates the amount of public engagement necessary to achieve the strategy.
- **Requires Council Consideration:** A Yes listed under this column indicates that at least some parts of this strategy will require Flagstaff City Council approval to implement.
- **Funding Required over Staff Time:** Indicates if funding is required in addition to staff time.
- **City Division/Section Collaboration:** Indicates the City of Flagstaff sections and/or divisions that were identified in the 10-Year Plan to collaborate on the strategy.

Each strategy listed also includes the **Anticipated Timeline of Strategy Implementation from 02/2022**, which indicates the initially targeted timeline of how soon after the approval of the Plan (02/2022) the strategy will be implemented – Immediately (within 18 months), Short-Term (within 1-4 years), Long-Term (within 5-10 years), or Ongoing.

Once initiated, and to identify the status of each strategy, City staff will determine how much progress has been made on a strategy and use the **% Complete** column to reflect the work completed. Additional details related to the strategy completion will be provided as **Status Comments**.

## January 2023 to June 2024 Strategies

Strategy	Strategy Description	Dependent on other strategies being completed?	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required over Staff Time?	Anticipated Timeline of Strategy Implementation from 02/2022	% Complete
Create 4.3	Explore adding affordable housing as an allowed use in the Public Facilities (PF) Zone.	Yes - Create 5.1	Medium	Medium	Yes	No	Immediate (18 months)	10%
	<b>City Division/Section Collaboration:</b>	Zoning Code, Building Safety, Flagstaff Fire Department, Housing Section						
	<b>Status Comments:</b>	A Request for Statement of Qualifications (RSOQ) is in progress to initiate the review and amendment of the Flagstaff Zoning Code.						

Strategy	Strategy Description	Dependent on other strategies being completed?	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required over Staff Time?	Anticipated Timeline of Strategy Implementation from 02/2022	% Complete
Create 5.1	Hire an independent consultant to review City codes, processes, and fees to determine whether modifications, reductions, or eliminations would facilitate cost-saving housing development strategies.	No	High	Low	Yes	Yes	Short-Term (1-4 years)	40%
	<b>City Division/Section Collaboration:</b>	Economic Vitality, Zoning Code, Building Safety, Sustainability, Planning, Flagstaff Police Department, Management Services, Flagstaff Fire Department, Water Services, Housing Section						
	<b>Status Comments:</b>	Funds were requested and approved through the fiscal year 2022-2023 City budget cycle. A Request for Statement of Qualifications (RSOQ) is in progress. The consultant is expected to be hired between March and July 2023. The completion of this strategy significantly impacts and informs the completion of other strategies dependent on code analysis and on a land and suitability analysis, such as Create 4.1 and Create 4.4, among others, which will be addressed in future years.						
Create 5.3	Create a dedicated team within Planning and Development Services specifically for affordable housing projects.	Partially - Create 5.1	Low	Low	No	No	Short-Term (1-4 years)	50%
	<b>City Division/Section Collaboration:</b>	Planning, Housing Section						
	<b>Status Comments:</b>	Housing can meet this strategy's intended outcome by simply formalizing the role of the Housing Analyst within the existing Inter-Departmental Staff (IDS) review process. The entire IDS team underwent an extensive rechartering in 2022 with the goals of improving internal lines of communication and streamlining project reviews, which result in improved outcomes for all development applications. In the coming year, city staff will continue to implement and refine the rechartered IDS review process, with the goal of identifying key duties the Housing Analyst can perform to ensure a clear path for affordable housing projects.						
Connect 2.3	Explore reviewing member composition of the Housing Commission and Housing Authority Board to ensure racial and economic diversity reflective of the Flagstaff community and present to Council for input.	No	Medium	Medium	Yes	No	Short-Term (1-4 years)	0%
	<b>City Division/Section Collaboration:</b>	Housing Section						
	<b>Status Comments:</b>	Not yet started.						
Preserve 2.2	Acquire and rehabilitate already built properties for affordable housing projects when financially feasible.	Yes - Create 3.1	High	Low	Yes	Yes	Long-Term (5-10 years)	10%
	<b>City Division/Section Collaboration:</b>	Real Estate Section, Management Services, Housing Section						
	<b>Status Comments:</b>	Will establish a program framework for use of bond funds approved for this purpose.						
Protect 2.1	Create and maintain an Affordable Housing Impact Statement.	No	High	Medium	No	No	Short-Term (1-4 years)	20%



	<b>City Division/Section Collaboration:</b>	Housing Section, Planning						
	<b>Status Comments:</b>	Continued collaboration with the Planning team and research in progress.						
Strategy	Strategy Description	Dependent on other strategies being completed?	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required over Staff Time?	Timing of Strategy Implementation from 02/2022	% Complete
Protect 3.2	Examine and update, if needed, the City of Flagstaff's Housing Limited English Proficiency (LEP) Plan.	No	Medium	Low	No	No	Short-Term (1-4 years)	25%
	<b>City Division/Section Collaboration:</b>	Management Services, Housing Section						
	<b>Status Comments:</b>	A draft of the updated LEP for the Housing Authority was completed. The Housing Section's updated LEP will be started upon completion of the Housing Authority's LEP.						

## 2022 Ongoing Strategies

Strategy	Strategy Description	Dependent on other strategies being completed?	Time Commitment	Public Engagement	Requires Council Consideration	Funding Required over Staff Time?	Timing of Strategy Implementation from 02/2022	% Complete
Connect 1.2	Create housing navigator or advocate positions to assist both landlords and housing-challenged populations in securing and maintaining housing.	No	Medium	Low	Yes	Yes	Immediate (18 months)	75%
	<b>City Division/Section Collaboration:</b>	Housing Section, City's Budget Team						
	<b>Status Comments:</b>	Although a Housing Navigator position has been created and hired, it is funded with one-time money. The position is being requested as an ongoing budget item through the City's regular 2023-2024 budget process.						
Protect 2.4	Implement a public outreach campaign to educate the community about the critical role affordable housing plays in a thriving community, create a groundswell of support for affordable housing, and combat community opposition to housing and affordable housing.	No	Medium	High	No	Yes	Immediate (18 months)	20%
	<b>City Division/Section Collaboration:</b>	Housing Section						
	<b>Status Comments:</b>	A virtual education campaign was held in October 2022 in celebration of Housing America Month. A larger education campaign will take place in fiscal year 2023-2024.						



## **Housing Commission**

**7. A.**

**From:** Adriana Fisher, Housing Program Manager

**DATE:** 01/26/2023

**SUBJECT:** CDBG 101: An Overview of the Community Development Block Grant program

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### **STAFF RECOMMENDED ACTION:**

Informational item only.

### **Executive Summary:**

The Housing Section's Housing & Grants Administrator, Kristine Pavlik, will provide an overview of the Community Development Block Grant (CDBG) program process.

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### **Attachments**

CDBG 101

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# City of Flagstaff Community Development Block Grant

Introduction and Overview



Kristine Pavlik, Housing and Grants Administrator





# Today



- Intro & overview of CDBG
- Eligible uses of CDBG funds
- 2023/2024 Annual Action Plan





# CDBG Introduction

## What is the Community Development Block Grant?

- Federal grant program administered by the U.S. Department of Housing and Urban Development (HUD).
- Created in 1974 to provide funding for housing and community development activities, serving primarily low-and-moderate income individuals and households.







# CDBG Introduction

## Why does the City of Flagstaff receive CDBG money?

**As a metropolitan city with a population of more than 50,000**, Flagstaff is considered an Entitlement Community and receives an annual allocation based on a formula taking population, age of housing and other community information into consideration.





# CDBG Introduction

## How does the City access the funds?

- **Annual Action Plan (AAP)** – May 15<sup>th</sup>

“What do we plan to do with the funds in the upcoming program year?”

- **Consolidated Annual Performance Evaluation Report (CAPER)** - September 30<sup>th</sup>

“What did we do with the funds over the last program year and who benefitted?”

- **Consolidated Plan (ConPlan) and Analysis of Impediments to Fair Housing (AI)** - May 2026

Last submitted in May 2021, the ConPlan is an assessment of the City's housing and community development needs and guides the use of CDBG funds for the following 5 program years

- **Substantial Amendments to Annual Action Plan** – As needed

CDBG-CV, Disaster Relief, re-allocation of funding, etc.



# CDBG Overview

## How can the City spend the money?

### The easy answer:

The City can spend the funding as the City Council determines based on:



- Needs identified in the City's Consolidated Plan
- The CDBG program's Primary Objective
- And one or more of the National Objectives





# CDBG Overview

## Primary Objective

The development of viable urban communities through the provision of the following, **principally for low to moderate income persons:**

- Decent housing
- A suitable living environment
- Economic opportunity

**80% AMI example: Household of 4  
income limit is \$68,700**





# CDBG Overview

## Benefiting low to moderate income persons

To be eligible, an activity must meet one or more of the following National Objectives:

1. Limited Clientele
2. Housing Activity
3. Area Benefit
4. Job Creation or Retention Activities





# CDBG Overview

## 1) Limited Clientele

An activity benefiting persons who are presumed to be **low income or at least 51% of whom are low to moderate income persons.**

Presumed benefit populations include: *(HUD's Language)*

Abused/neglected children

Severely disabled adults

Migrant farm workers

Persons with HIV/AIDS

Survivors of domestic violence

Illiterate adults

Homeless

Seniors

Past Projects:

- Coordinated Entry – The Front Door
- Homeless Outreach Services





# CDBG Overview

## 2.) Housing Activity

An activity undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low to moderate income persons

### Past Projects:

- Owner Occupied Housing Rehabilitation
- Down payment and closing cost assistance
- Sharon Manor Rehab and Expansion







# CDBG Overview

## 3.) Area Benefit

An activity that benefits all residents in a particular area, where at least 51 percent of the residents are low to moderate income persons.

**The City has four target neighborhoods – as established in the Consolidated Plan:**

- **Sunnyside**
- **Southside**
- **La Plaza Vieja**
- **Pine Knoll**

Past Projects:

- Capital Improvements in target neighborhoods
- Hal Jensen Recreation Center Rehabilitation
- Arroyo Park and Guadalupe Park Improvements





# CDBG Overview

## 4.) Job Creation/ Retention Activities

An activity designed to create or retain permanent jobs. A minimum 51% of which, computed on a full-time basis, involve the employment of low to moderate income persons.

Examples:

- Sharon's Attic Job Training





# CDBG Overview

## HUD Annual Funding Caps

20% Spending Cap for Administration Costs

Historically the City utilizes 10% for Admin costs and 10% for Indirect Costs

This administration spending cap applies to subrecipients as well

***\*The City of Flagstaff is ultimately responsible for use of funds, even if spent by outside agency\****







# CDBG Overview

## Public Service – 15% Cap

There is a high demand for Public Service Projects with limited funding available.



**2022 Total Public Service Allowable = \$90,250\***

Examples:

- Services for People Experiencing Homelessness
- Eviction Prevention
- Fair Housing Services
- Health Services
- Services from Children to Senior Citizens





# CDBG Overview

## Criteria for use of CDBG Funds

- At least 70% of the CDBG funds must benefit low to moderate income persons over the fiscal year (July 1 to June 30)
- Historically CDBG in Flagstaff serves 100% low to moderate income persons





# CDBG Overview

## How are the funds distributed?

An annual open **proposal process** is conducted allowing community agencies (non-profits and units of local government) to apply for use of funds





# CDBG Overview

## Proposal Process

### Staff Responsibility

- Determine activity eligibility
- Assess activity viability
- Conduct agency risk assessment
- Proposal Ranking Committee with citizen participation
- Weighted scoring criteria







# CDBG Overview

## City Contract Requirements



- Procurement
- Insurance
- Payment Procedures
- Monthly Reporting
- Monitoring
- Close-out
- Audit

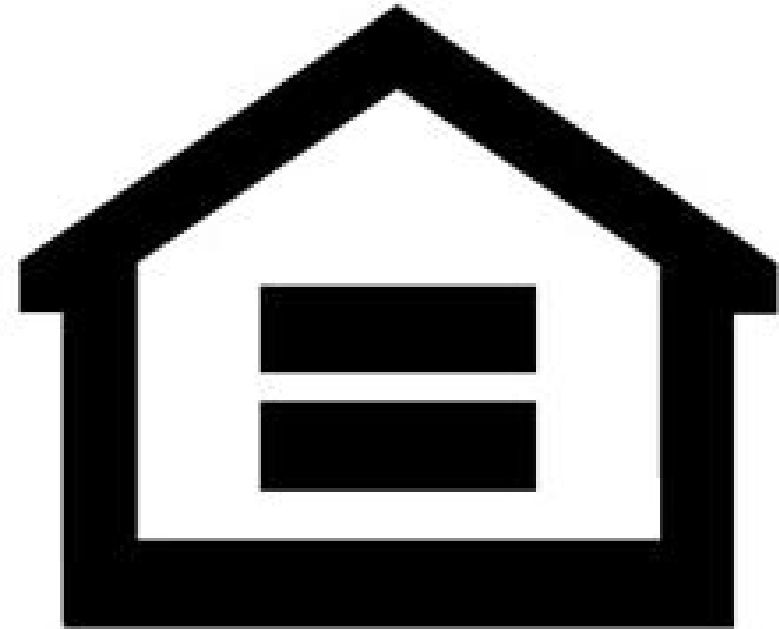


# CDBG Overview



## Federal Overlay Statutes:

- Fair Housing
- Environmental Standards
- Labor Standards (Davis Bacon)
- Testing (Asbestos and Lead)
- Procurement
- Equal Opportunity
- Relocation
- Handicapped Accessibility



**EQUAL HOUSING  
OPPORTUNITY**



# CDBG Overview

## Proposal Process

### Public Participation

- Ranking Committee
- 3 public meetings
  - NoFA Release
  - Target Neighborhood Public Participation
  - Review of Proposals received
- 2 council meetings
  - Work session with recommendations – April 11
  - Action item to adopt Resolution – April 18



***A draft Annual Action Plan is available for public comment for 30 days prior to the April Council Meetings***



# CDBG Overview

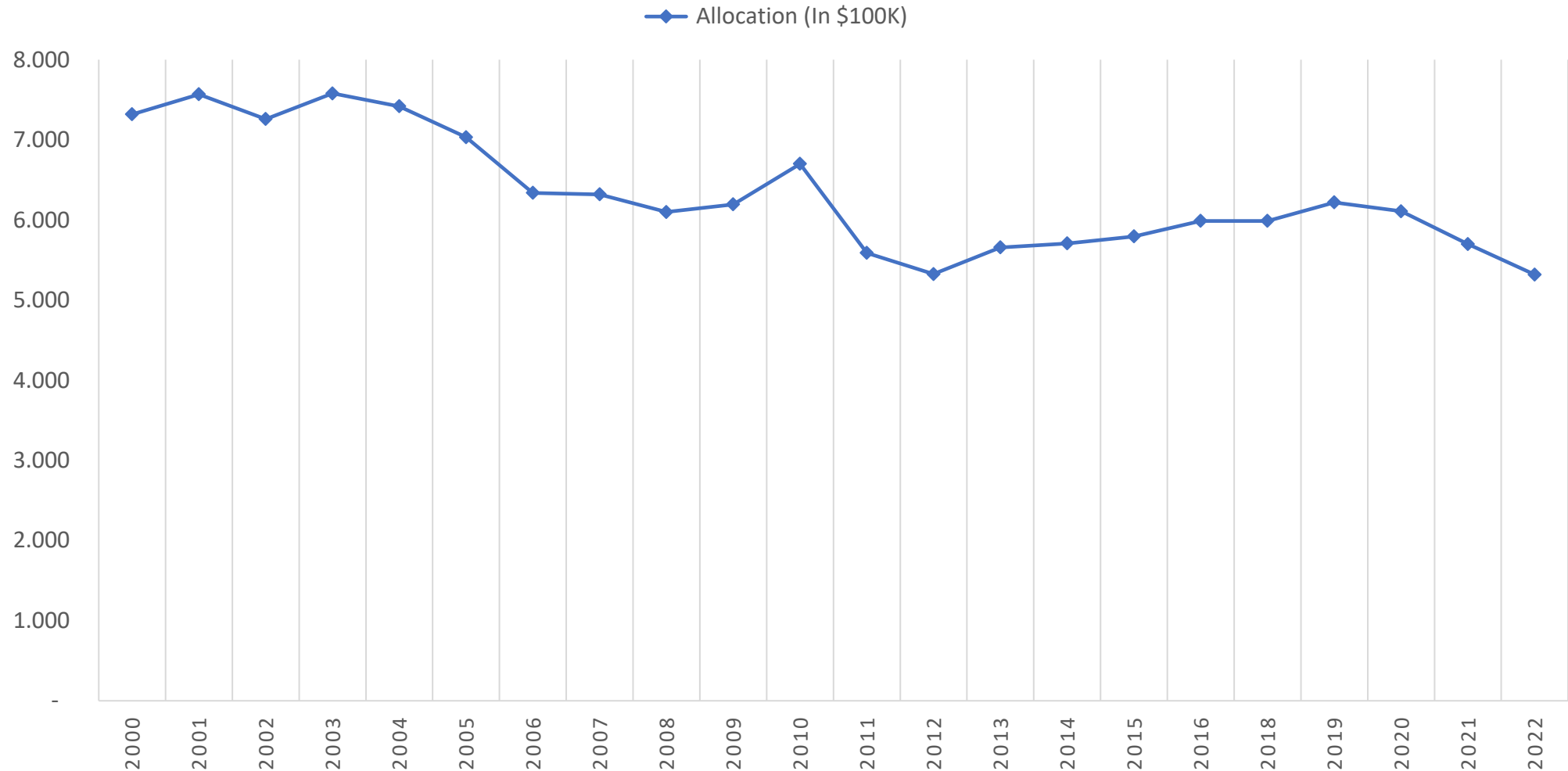
## What has changed in recent years?

- Funding from HUD
  - 2003 highest award = \$758,000
  - 2018 = \$621,455
  - 2020 = \$611,295
  - 2022 = \$531,639
- Emphasis on Performance Measures
  - Focus is on **numbers served & service type** provided
  - Performance measurements require significant additional data to be collected



# CDBG Overview

## Allocation over the years







# CDBG Overview

## Coronavirus Aid, Relief and Economic Security Act

- City of Flagstaff CARES Act Funding – CDBG-CV
  - 1<sup>st</sup> Allocation - \$359,605
  - 2<sup>nd</sup> Allocation - \$755,661
- CARES Act Provided Waivers
  - Public Participation
  - Public Service Caps
  - CAPER Extension
  - Reimbursement of Costs
  - Con Plan and AAP Extensions



# CDBG Overview

## 2021-2022 CDBG CAPER

- Sharon Manor Expansion and Rehab
  - Catholic Charities Closing the Gap Acquisition
  - La Plaza Vieja Infrastructure Improvements
- 
- 3 Sewing and Textile Employment Pathway Graduates
  - Eviction Prevention for 39 households





# 5-year Consolidated Plan Goals

Activity	Special Population	Priority Level	5-year Goal
<b>Priority Need: Revitalization, Public Facilities &amp; Infrastructure</b>			
Facility Improvements	X	H	500 people
ADA Accessibility Improvements	X	L	500 people
Land Acquisition for Affordable Housing Development		L	5 households
Infrastructure for Affordable Housing Development		L	5 households
<b>Priority Need: Public Services &amp; Economic Opportunities</b>			
Service and Facility Operating Support	X	H	2,000 individuals
Employment & Job Training Support Services		L	5 individuals
Housing Stabilization Services including Eviction/Foreclosure Prevention and Legal Services		H	500 households
<b>Priority Need: Addressing Homelessness</b>			
Service and Facility Operating Support, including Outreach	X	H	5,000 people
Increase number of emergency /transitional shelter beds for families	X	H	20 beds
Increase supply of permanent supportive housing	X	H	15 beds
<b>Priority Need: Decent Affordable Housing</b>			
Owner-occupied Housing Rehabilitation		H	25 units
Rental Housing Construction		H	5 units
Owner Housing Construction		H	2 units
First-time Homebuyer Assistance		H	25 households
Rental Housing Rehabilitation		L	10 units



# CDBG Priorities

## 2023 and 2024 CDBG Council Priorities

- Housing (rental & ownership)
- Homelessness
- Neighborhood Revitalization
- Workforce Job Training





# Contact Information

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